

Strategic report 2021 Towards a new post-Covid-19 world ?

Executive Summary

In 2019, the Royal Institute for Strategic Studies (IRES) put forth a proposal for a development model whose cornerstone is governance and which is based on four pillars: placing humans back at the heart of development, reconsidering the relationship between human beings and Nature, articulating local and global scale, the "planetarization", and using of the leapfrog approach to face the exponentiality of technical evolutions. The COVID-19 crisis has only served to confirm the relevance of this model by rekindling reviving citizens' the expectations and hopes of the citizens, which, incidentally, that must be met.

Although it acknowledges the uncertainty surrounding the evolution of the health situation, which has made anticipation almost impossible and has complicated the implementation of appropriate public policies in a world where the virus will continue to spread, IRES has launched an in-depth reflection to understand the issues at hand through studies commissioned from its associate researchers, a brainstorming webinar on the issue of COVID-19 as well as the compilation of this new strategic report.

Sixth opus in its series titled "Morocco's Panorama in the World", this report, also based on the prospective meta-method which takes place in three stages: Understanding, Anticipating and Proposing, has the following objectives:

- to shed as much light as possible on the constitutive elements of the Covid-19 crisis in order to understand its real scope and to better consider the contours of the post-Covid world,
- to identify the seeds of change at work, both in mindsets and in practices in order to decipher the future bearing facts despite the many current uncertainties,
- to propose, consequently, some strategic orientations, aimed at both increasing the resilience of the systems supposed to protect the citizens and getting out of the operating models which appear outdated today.

The report also highlights the political, economic and social repercussions of the pandemic on the African continent and the impact of the systemic crisis on society and the Moroccan economy, the disruptions caused, the opportunities and the risks they represent as well as the measures taken by the Kingdom to curb the spread of the virus and ensure economic recovery.

It includes proposals that are likely to accelerate the pace of the Kingdom's development and enhance its integration into the post-COVID-19 world, by consolidating its regional and global influence.

2020 will be collectively remembered as the year of the outbreak of a global pandemic that led to unprecedented lockdown. This crisis astonished the world by its scale and the speed of its spread.

An unprecedented historic event, the pandemic, has forced Governments to take drastic measures to stem its spread. Such measures have turned the health crisis into a multifaceted and systemic crisis, affecting all aspects of the life of countries and citizens.

The magnitude of this major crisis is due to a threefold phenomenon, namely:

- the fear of illness and of loss of one's assets/income because of uncertainty, isolation and the diffuse, tacit perception that a period of major change is coming.
- the lockdown for several weeks affecting a third of the world's population and the unpreparedness of decision-makers for events of such magnitude and unexpectedness.
- the structure of global interdependence, which has exposed the disproportionate weight of China and the fragility of global value chains.

The containment measures applied and the way in which the crisis has been managed have shown a lack of preparation as well as clear irresponsibility on the part of social networks and media, which have fueled what is perhaps a disproportionate fear.

The Covid-19 pandemic has accentuated a crisis of global leadership which occurs in a context of geopolitical unrest and which probably starts a period of transition towards a new global model.

It was in such a context, conducive to upheaval, that the Covid-19 pandemic emerged, accelerating the current dynamics and putting all the actors of international society at grips with their weaknesses and contradictions. This health crisis, the spread of which was fostered by the interdependence between countries:

- has reminded states, even the most developed, of their vulnerability to systemic shocks and put soft power and the need for collective action at the heart of global geopolitics,
- has showcased, the weakness of the international community's anticipation capacities in a world which is struggling to emerge from an old and henceforth inadequate order,
- has shown, therefore, the need to rethink the instruments of State power, in order to undertake a reform of globalization as well as the construction of a new international system, not only political but also economic and social,
- shed light on the expediency of creating a scientifically independent institution in the field of health "One Health", similar to the Intergovernmental Panel on Climate Change "IPCC",
- highlighted the need to better understand science, to learn to live with uncertainty and to find a new form of humanism.

The momentary chaos that characterized the management of the pandemic and the uncertainties brought about by the disease have led to the emergence of a new normality and a growing desire for far-reaching change.

Indeed, despite the persistent risks on the environmental, technological, biological, natural and security levels, the seeds of a new paradigm shift are emerging. The growing interest in the well-being of human beings, in the relationship with living beings and, more globally, in the preservation of nature, as well as the questioning of growth requirements, are the main features of this change.

The prospective analysis of the various factors of change at work makes it possible to identify certain structuring perspectives which, on the occasion of the pandemic, could change the situation at the international level:

- **A new face of post-Covid globalization "Globality"**, would be based on a proactive desire to fulfil a shared vision and to give meaning to progress. This vision is already supported by a large group of activists campaigning for more equality and social justice, a preserved planet and a restored nature as well as a rapid adaptation to climate change. A new wave of slower and better thought-out globalization, combined with the likely restructuring of certain production and distribution networks, could lead to a reduction in part of the current development inequalities and thus allow a number of developing countries to genuinely choose their future.

- **The acceleration, from 2020, of digitization** resulting from the automation and dematerialization of various human activities: the future of globalization, whatever its shape, will probably be strongly influenced by the development of digitization. The digital economy will emerge as a winner from this crisis and should strongly characterize the global transformation of lifestyles, work and travel. This digitization calls on decision-makers to put an emphasis the urgency of improving infrastructure and technologies that support it, to train populations to bridge the digital divide and to ensure respect for fundamental human rights.
- **A more systemic ecological transition:** the return of wild life to cities, during the lockdown period, has fostered the awareness that humans cannot live without Nature. Multiple weak signals have therefore converged in favor of an ecological transition, encompassing both our relationship with the living world, the negative action of the Anthropocene as well as the hidden costs of mobility and advocating the necessary reorganization of the urbanization and of the reduction of the ecological footprint. The great lockdown has made it possible to rethink international mobility, global tourism as well as the way in which cities are designed. Although nothing may change immediately in these areas, the ecological concern that arose during the pandemic will continue because preexisted the crisis. It is to be expected that it will resurface when the recovery begins.
- **The transformation of mindsets:** pauperization (joblessness), deterioration of mental health, rejection of carelessness, of deprivation of liberty and of poverty, new trade-offs between private and professional life, between megalopolises and human-sized cities, between chosen and endured mobility ... are all factors of change which, if they are not understood or mastered, could lead to increased disorders.

Les changements profonds précités, qui plaident en faveur d'une nouvelle vision du monde - réclamant une "grande transformation" -, requièrent une réponse structurelle qui pourrait concerner les axes suivants :

The aforementioned deep changes, which promote a new vision of the world - calling for a "great transformation", require a structural response which could be focused on the following axes:

- **Establish a new redesigned global governance, promoting confidence and more inclined to cooperation.**
- **Rebuild multilateralism.** This could be achieved by making the most of the commonalities between the different national stimulus plans and by a new generation of leaders, more anticipatory, more comfortable with technology and deeply humanistic.

- **Take the exit from the Anthropocene seriously:** getting out of the Anthropocene is by no means easy. Because it is a question, neither more nor less, of changing civilization, that is to say of development model, cultural paradigm, lifestyles and ways of doing things. It will be long and costly, but if drastic decisions are not taken and implemented now, then the losses and survival of our descendants will be even more costly.
- **Renew the conception of the "State" entity,** to the benefit of a "Care" State. The latter, a more mature form of the welfare state, departs from it by its moral commitment and its ways of action. It does not replace the individual but guides him, does not assist him but facilitates his task, does not enslave him but serves him. It is a powerful but fair, rigorous and transparent state.
- **Take the turn towards endogenization,** not only to guard against the fragility of a global economic system that subcontracts most of the planetary production of goods to a single country, but also to better meet the basic needs of populations and adopt new forms of economy, particularly an economy of life, positive, blue, of proximity.

As for Africa, regardless of the actual number of people infected, the impacts of the pandemic on the continent are particularly severe. The disruptions caused by the pandemic in a continent already plagued by many forms of vulnerability pose various unprecedented risks, which need to be tackled collectively.

The Covid-19 pandemic risks affecting the political transitions underway on the continent, cause economic disaster, increase Africa's external debt and wipe out at least five years of progress in the fight against poverty.

While the continent is still highly coveted for its natural resources, the novelty lies in the fact that this crisis may reshuffle the cards of international competition for these resources. Indeed, of the consequences of this pandemic depend on the future of Africa's relations with its main partners as well as its donors.

Africa should seize the opportunities arising from the health crisis to effect a radical change of direction and **rethink its development**. It is not only a matter of carrying out endogenous policies but of "endogenizing" African culture itself, allowing it to find its roots in order to promote independent, truly African development: to work, collectively, to put forward a Africa built and celebrated by and for Africans.

Regarding Morocco, the Kingdom was one of the first countries in the world to have instituted strict lockdown measures for the population and to have led, under the leadership of His Majesty King Mohammed VI, a policy up to the challenges of the health crisis with a view to:

- significantly reduce its important human and social cost, characterized by a sharp drop in household income, an increase in the incidence of poverty, limited access to health care for people suffering from chronic diseases, a worsening of mental health and deterioration of family relationships,
- face an economic recession that was, in 2020, the most severe in at least two decades, having caused a deterioration of the labor market and an unfavorable outlook for future investments, a loss of activity in certain key economic sectors, a worsening of the budget deficit and consequently of the indebtedness of the Public Treasury as well as external imbalances, which however remain less significant despite the fall in foreign demand,

Despite the negative consequences of the crisis on the Moroccan economy and society, the pandemic offers the opportunity to adopt a new development model, in order to carry out large-scale reforms aimed at improving the well-being of the population, preserving natural environment and increasing the resilience of the national economy to external shocks.

To seize this opportunity, the Government should implement, with the required efficiency and speed, the Royal Vision based on an ambitious policy of post-crisis economic recovery, of the "New Deal" type, a profound reform of the public sector, the promotion of development and the establishment of social and spatial justice.

The fulfillment of this enlightened Royal Vision depends, imperatively, on a **new governance**, which would make it possible to accelerate to speed up Morocco's emergence. Being of societal nature, this governance requires the **restoration of institutional trust and the acceleration of the implementation of advanced regionalization**, since regions have proved to be the best area to manage a crisis during the COVID-19 pandemic as well as adopting a **renewed approach to the conduct of reforms, by** enclosing them within the framework of a coherent national program.

This new governance should take into account the following guiding principles:

- **Foster the emergence of a new generation of political, economic and social leaders** capable of rethinking development, of seeing further, of thinking systemically, of establishing priorities and pooling resources for the benefit of greater high efficiency and better preparation.
- **Make Morocco a key player in digital transformation** through, mainly, massive investment in digital infrastructure and the training of digital skills. The promotion of the platform economy as well as the development of teleworking and mobile payment would strongly contribute to job creation.

- **Promote the Nexus approach to address current issues** - both economic, environmental, societal and human - in a synergistic manner. In this context, three Nexuses call for special attention because of their interweaving: water-energy-food, city-mobility-ecological footprint and tourism-employment-environment.
- **Strengthen anticipation and promote a genuine culture of crisis management, at all levels.**

While taking into account the structural global changes accelerated by the crisis, Morocco should actively prepare itself to seize the levers of change, opening access to the post-crisis world.

A successful economic recovery policy requires to **undertake the endogenization of the economy** and pay particular attention to the **economy of life**. It would also be of importance to **rethink Morocco's world crafts** that have been impacted by the health crisis, to **integrate new global value chains** and to **develop the industry of the future**. It also entails to **invest in technological independence, to focus more on innovation and research & development** and to **make the development of the social and solidarity economy a national priority**.

The generalization in 2025 of universal health coverage would significantly improve the well-being of Moroccans and promote the integration of the informal sector. In order to consolidate the bases of social, environmental and spatial development, it would be appropriate, in addition to **preparing young people for tomorrow's world**, to **build a health system** capable of dealing with any new crisis, whether epidemiological or resulting from a natural disaster. It would be, moreover, imperative to **achieve a successful ecological transition, to reach carbon neutrality by 2050** and, finally, to **ensure urban transformation** through an urban policy, which would work to frame and harmonize urban development, to promote economic, social and cultural diversity, to allow smart management of mobility and to make the city more humane for its inhabitants.